

CLASSIFICATION SECURITY INFORMATION

## REPORT

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THIS IS UNEVALUATED INFORMATION

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1. The Hungarian Steel Products Factory (Magyar Acélaru gyar), State Works 2628 is located at Vaci Street 95, Budapest, in an area bordered by Vaci, Fay, and Lomb Streets. A rail spur connects the factory with Budapest-Lipótvaros railroad station. Narrow-gauge and shunt tracks are laid between the principal buildings of the complex. Three shifts daily employ a total of 1,200 skilled and experienced workers and 600 unskilled workers. Women employees comprise 20 to 25 percent of the total. Factory officials include 60 administrative and 140 technical employees.

2. The factory is under the administration of the Ministry for Foundries and Heavy Machinery. A commission (Uebernahme-Kommission) of the Defense Ministry and the War Technical Institute controls the output of war material, which comprises about 75 percent of the finished products of the factory, only 25 percent being for commercial purposes. Output of Works 2628 is as follows:

30,000.....	82mm. mortar shell cases
1,800.....	120mm. mortar shell cases
20,000.....	152mm. field howitzer shell cases
20,000.....	37mm. antiaircraft-gun shells

b. Gunshields (Geschuetzschuttschilde) for 7.62cm. armor-piercing guns, 7.62cm. field guns, 122 mm. field howitzers, 37mm anti-aircraft guns, and 12.7mm. anti-aircraft heavy machine guns are produced; 300 to 500 items

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of each type are produced monthly and shipped to the Machine Tool Factory at Gyoer, Gyoer-Moson County, and the "Mexico" works at Diosgyoer.

- c. Gun parts, such as firing pins, closed pistons, automatic parts for anti-aircraft machine guns and (in very small quantity) complete gun mounts, are produced for the MAVAG factories in Budapest and Diosgyoer and for the machine tool factory (sic).
- d. Suspension springs (Tragfedern) and coil springs (Spiralfedern), steel castings (Stahlguesse), steel and iron plates of all qualities, and steel and iron pipes are produced for the MAVAG factory in Budapest, the Tractor Factory "Red Star" (formerly Hofherr and Schrantz) and the Wagon Factory at Gyoer. Fine coil springs are provided the Gamma and Mom and other precision mechanics works.
- e. Monthly totals of 120,000 augurs (Schneckenbohrer) and 1,800 to 2,400 steel speed drills (Stahlachnellbohrer) are produced exclusively for export to the USSR.
- f. Also produced are steel bars of various types chiefly for commercial uses.

#### Raw Material Procurement

- 3. The factory obtains steel ingots from Ozd and Diosgyoer. Coke is procured from the Budapest gas works and from Sztalinvaros, and coal from Tatabanya and Dorog, both in Komarom-Esztergom County. High-speed tool steel and diamond steel are imported from East Germany. Raw material reserves are prohibited by lack of space but, since 1946, there have been no slowdowns on account of raw material shortages.

#### Power

- 4. Power is transmitted to the factory through a high frequency cable laid beneath Vací Street. A branch line enters the factory near the main gate and leads to the transformer house located in the factory's own generating plant; the latter serves as an emergency plant when the main current fails. This generating plant, consisting of a row of generators driven by two steam turbines, can provide power not only for Works 2628 but can divert 60 percent of its output to neighboring plants.

#### Condition

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- 5. Modernization of the factory was carried out at a cost of 1,700,000 forint in 1952 and, according to estimate, will cost 2,100,000 forint in 1953. Two 30,000 kilogram automatic presses were built in 1952 to supplement the already operating 70,000 kilogram hydraulic presses. The lathe shops have been recently equipped with modern [redacted] lathes, as well as with [redacted] German milling machines and a series of turret lathes. Assembly line production has been introduced in the lathe and spring shops. The three Martin furnaces of the factory have been converted to the trip system (Kippsystem). The annealing furnaces (Stahlschweißöfen) have also been modernized.

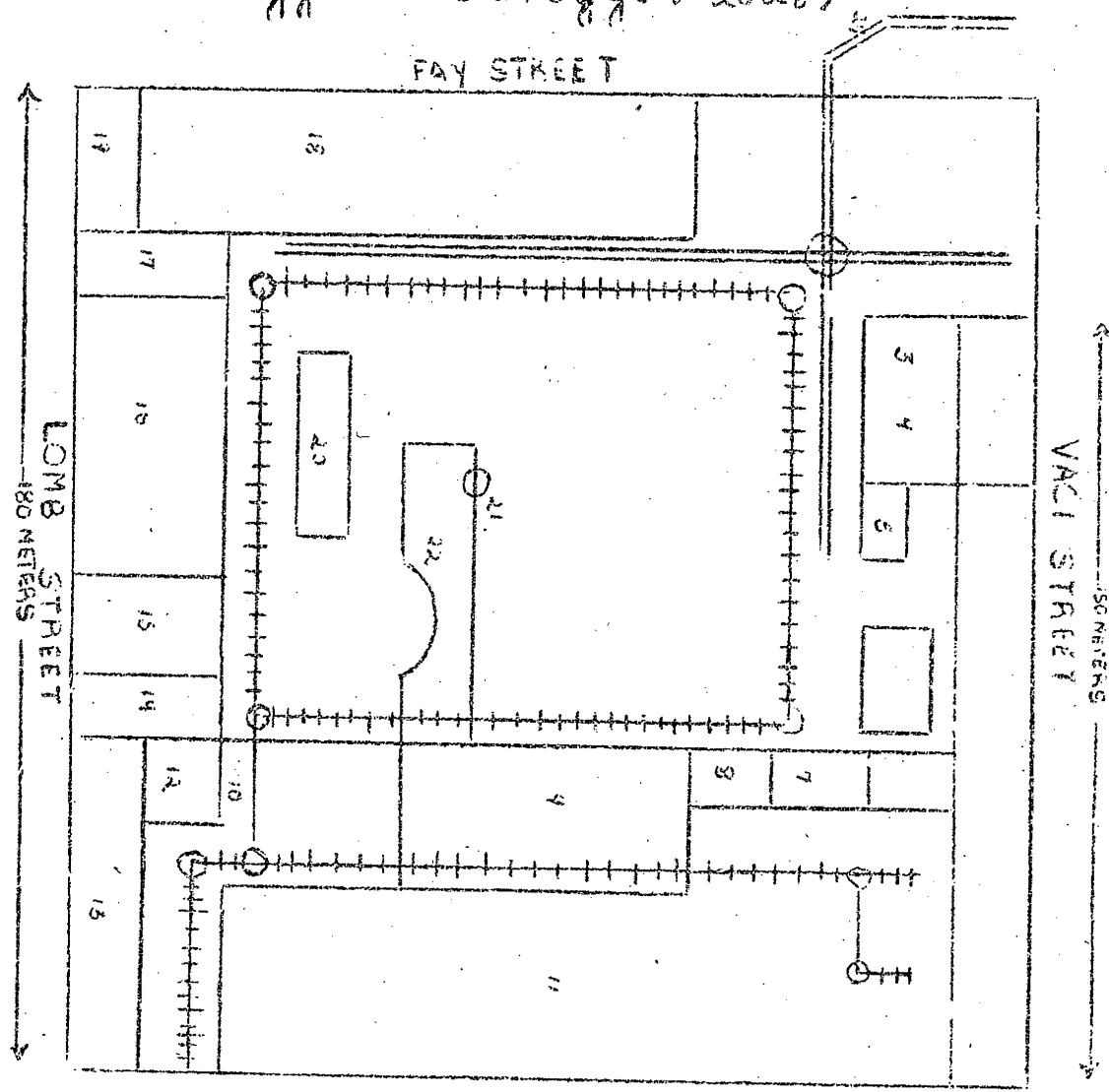
#### Performance

- 6. In 1952, Works 2628 produced 122 percent of its production quota. The factory has the lowest percentual production waste of any factory in Hungary.
- 7. A rough sketch of the Hungarian Steel Products Factory, Works 2628, with legend is attached to this report.

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# The Hungarian Steel Products Factory No 2628, Budapest

(Magyar Acélaroggyó 2628)



## LEGEND

1. Pipe works (one-story shop)
2. Laboratories, offices, construction, calculation (two-story building)
3. Forging shops
4. Storehouse for finished products
5. Storehouse for machine parts
6. Entrance
7. Material inspection room
8. Construction and planning office
9. Martin furnaces, tempering and annealing furnaces
10. Lathes, milling and grinding machines
11. Spring works and assembly room
12. Insulation
13. Storehouse
14. Storehouse for raw material
15. Alloying, cleaning and grinding shops
16. Iron and metal foundry
17. Alloy blasting works
18. Forging, compression and rolling shop
19. Offices
20. Storehouse for precision materials
21. Chimney
22. Power plant
23. Narrow gauge industrial railway tracks
24. Hungarian National Railway main track